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December 16, 2005

RECEIVED  
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PUBLIC SERVICE  
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**via Hand Delivery**  
Hon. Beth O'Donnell  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
P. O. Box 615  
Frankfort, KY 40601

Case No. 2005-00541

**Re: South Central Telcom, LLC Petition for Designation as an Eligible  
Telecommunications Carrier in the Commonwealth of Kentucky**

Dear Ms. O'Donnell:

Enclosed for filing in the above-styled case is the original and ten copies of the Petition of South Central Telcom, LLC for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky.

Thank you, and if you have any questions, please call me.

Very truly yours,

DINSMORE & SHOHL LLP

  
Holly C. Wallace

BEFORE THE  
KENTUCKY PUBLIC SERVICE COMMISSION

RECEIVED

DEC 16 2005

PUBLIC SERVICE  
COMMISSION

*In the matter of:*

SOUTH CENTRAL TELCOM, LLC )  
PETITION FOR DESIGNATION AS )  
AN ELIGIBLE TELECOMMUNICATIONS )  
CARRIER IN THE COMMONWEALTH )  
OF KENTUCKY )

Case No. 2005-00541

**PETITION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS  
CARRIER IN THE COMMONWEALTH OF KENTUCKY**

1. South Central Telcom, LLC ("South Central"), by counsel, and pursuant to section 214 of the Telecommunications Act of 1996 (the "Act"), hereby submits its Petition for Designation ("Petition") as an eligible telecommunications carrier ("ETC") in the Commonwealth of Kentucky.

2. South Central is a facilities-based competitive local exchange carrier with its principal business address at 1399 Happy Valley Road, Glasgow, KY 42141-1261. South Central has been providing service since June 2002 and currently provides both residential and business services to approximately 3,000 access lines in Glasgow, KY. South Central seeks ETC designation for the GLSGKYXADS0 wire center ("Designated Area"), a wire center of the non-rural incumbent local exchange carrier, Kentucky Alltel, Inc ("AllTel"). As demonstrated herein, and certified in Exhibit A to this Petition, South Central satisfies all of the requirements for designation as an ETC for the Designated Area and respectfully requests that the Kentucky Public Service Commission (the "Commission") promptly grant its Petition.

**I. SOUTH CENTRAL MEETS ALL THE REQUIREMENTS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER TO SERVE THE DESIGNATED AREA IN THE COMMONWEALTH OF KENTUCKY.**

3. Pursuant to 47 U.S.C. § 214(e)(2), the Commission, "consistent with the public

interest, convenience and necessity . . . may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the State commission, so long as [the] requesting carrier meets the requirements of paragraph (1)" of Section 214(e). South Central satisfies the requirements of paragraph (1) of Section 214(e); therefore, the Commission should designate South Central as an ETC for the Designated Area.

4. A common carrier designated as an eligible telecommunications carrier. . . shall be eligible to receive universal service support in accordance with section 254 of this title and shall, throughout the service area for which the designation is received—

(A) offer the services that are supported by Federal universal service support mechanisms under section 254(c) of this title, either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier); and

(B) advertise the availability of such services and the charges therefore using media of general distribution.

47 U.S.C. § 214(e)(1). Pursuant to this statute, so long as a telecommunications carrier offers the services supported by the Universal Service Fund using its own facilities or a combination of its own facilities and those of another telecommunications carrier, and advertises the availability of such services, "a State commission shall . . . designate [the] common carrier . . . as an eligible telecommunications carrier for a service area designated by the State commission." 47 U.S.C. § 214(e)(2). The services supported by the Universal Service Fund are: 1) voice grade access to the public switched network, 2) local usage, 3) dual tone multi-frequency signaling or its functional equivalent, 4) single-party service or its functional equivalent, 5) access to emergency services, 6) access to operator services, 7) access to interexchange service, 8) access to directory assistance, and 9) toll limitation for qualifying low-income consumers. *See* 47 C.F.R. § 54.101(a). As demonstrated below, and as set forth in the declaration of Forrest Wilson,

authorized representative of South Central, South Central will offer all of the services supported by the Universal Service Fund using a combination of its own facilities and those of other telecommunications carriers, and advertise the availability of those services. (See Exhibit A, Declaration of Forrest Wilson). Accordingly, the Commission should grant South Central's petition.

**A. South Central Provides Service Using Almost Exclusively its Own Facilities.**

5. A carrier requesting ETC designation must provide services over its own facilities or through a combination of its own facilities and resale of another carrier's service. South Central currently provides its services exclusively through its own facilities. Nonetheless, South Central's agreements with AllTel include resale services and accordingly South Central will use resale capabilities to meet its service obligations in those isolated instances in which it might currently lack such facilities.

**B. South Central Offers All Required Services and Functionalities.**

6. South Central already provides all services and functionalities supported by the federal universal service program as set forth in 47 C.F.R 54.101(a) and will continue to do so upon receipt of ETC designation.

**(i) Voice grade access to the public switched telephone network.**

7. Voice grade access to the public switched telephone network ("PSTN") is defined as "a functionality that enables a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call. For the purposes of this part, bandwidth for voice grade access should be, at a minimum, 300 to

3,000 Hertz." 47 C.F.R. § 54.101(a)(1). South Central meets this requirement by providing a voice grade access to the public switched network through its Siemens EWSD switch. Through its interconnection arrangements with AllTel and other local exchange carriers, South Central customers are able to make and receive calls on the public switched network within the specified bandwidth. Therefore, South Central offers voice grade access to the public switched network within the meaning of 47 C.F.R. § 54.101(a)(1).

(ii) **Local usage.**

8. Local usage is defined as "an amount of minutes of use of exchange service, prescribed by the Commission, provided free of charge to end users." 47 C.F.R. § 54.101(a)(2). South Central provides unlimited flat rate calling (i.e., non-metered or measured) access to its customers to local and EAS calling plans established and tariffed by the incumbent carrier. Moreover, as a designated ETC, South Central will comply with any and all minimum local usage requirements required by applicable law.

(iii) **Dual tone multi-frequency ("DTMF") signaling or its functional equivalent.**

9. Section (a)(3) of 47 C.F.R. 54.101 provides for supported services to include "dual tone multi-frequency signaling or its functional equivalent." Dual tone multi-frequency ("DTMF") is defined as "a method of signaling that facilitates the transportation of signaling through the network, shortening call set-up time." *Id.* South Central's network is fully DTMF-compliant.

(iv) **Single-party service or its functional equivalent.**

10. Single-party service is defined as "telecommunications service that permits users to have exclusive use of a wireline subscriber loop or access line for each call placed, or, in the

case of wireless telecommunications carriers, which use spectrum shared among users to provide service, a dedicated message path for the length of a user's particular transmission." 47 C.F.R. § 54.101(a)(4). South Central provides customers with single-party access for the duration of every phone call. Accordingly, South Central provides single-party service within the meaning of the Federal Communications Commission's ("FCC's") regulations.

**(v) Access to 911 and E911 emergency service.**

11. "Access to emergency services includes access to services, such as 911 and enhanced 911, provided by local governments or other public safety organizations." 47 C.F.R. § 54.101(5). South Central provides access to 911 and enhanced E911 and is fully interconnected with the Barren County public safety answering point ("PSAP") that serves the areas for which the company seeks ETC designation.

**(vi) Access to operator services.**

12. Access to operator services is defined as "access to any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call." 47 C.F.R. § 54.101(6). South Central provides access to operator services to its customers under contractual arrangements with an operator services provider.

**(vii) Access to interexchange service ("IXC").**

13. Access to interexchange service is defined as "the use of the loop, as well as that portion of the switch that is paid for by the end user, or the functional equivalent of these network elements in the case of a wireless carrier, necessary to access an interexchange carrier's network." 47 C.F.R. § 54.101(7). In addition to its own affiliate long distance company, South Central allows consumers to presubscribe to other interexchange carriers and complete dial-around calls for those carriers who have provisioned the appropriate facilities and support such

services.

**(viii) Access to directory assistance.**

14. Access to directory assistance is defined as "access to a service that includes, but is not limited to, making available to customers, upon request, information contained in directory listings." 47 C.F.R. § 54.101(8). South Central customers can access directory assistance services by dialing 411 or through the service offering of their presubscribed carrier by dialing 1+NPA+555-1212. South Central also provides, through contractual arrangements with its parent company and through the incumbent telephone company, listing in the white pages telephone directory published for the general area.

**(ix) Toll limitation for qualified low-income consumers.**

15. Toll limitation for qualifying low-income consumers is defined as "toll blocking or toll control for eligible telecommunications carriers that are incapable of providing both services. For eligible telecommunications carriers that are capable of providing both services, toll limitation denotes both toll blocking and toll control." 47 C.F.R. § 54.400(d). Toll blocking "is a service provided by carriers that lets consumers elect not to allow the completion of outgoing toll calls from their telecommunications channel." 47 C.F.R. § 54.400(b). "Toll control is a service provided by carriers that allows consumers to specify a certain amount of toll usage that may be incurred on their telecommunications channel per month or per billing cycle." 47 C.F.R. § 54.400(c).

16. South Central already makes toll limitation services available to its customers who request such services. Upon designation as an ETC, South Central will offer these services to consumers who meet the qualifications for Lifeline as specified in 47 C.F.R. § 54.409.

**C. South Central Will Advertise the Availability of Supported Services.**

17. South Central will advertise the availability of the supported services detailed above, as well as the charges therefore, using media of general distribution in accordance with 47 C.F.R. § 54.201(d)(2). The methods of advertising utilized may include newspapers, magazines, radio, or television as well as other methods that constitute media of general distribution in the Designated Area of Kentucky.

**II. SOUTH CENTRAL PROVIDES SERVICES THROUGHOUT THE AREA FOR WHICH IT SEEKS ETC DESIGNATION.**

18. South Central's service area is currently limited to the Glasgow, Kentucky rate center area now served by AllTel. It is this exchange for which the Company requests ETC designation. South Central has facilities in place to serve the vast majority of the exchange. Receipt of ETC designation, however, would provide South Central with the access to funds it needs to attempt to reach previously unservable customers.

19. A map of South Central's service area, and South Central's coverage of that area, is attached as Exhibit B.

**III. IN ACCORDANCE WITH 47 U.S.C. § 214(e)(2), SOUTH CENTRAL IS ENTITLED TO BE DESIGNATED AS AN ETC IN NON-RURAL WIRE CENTERS.**

20. Pursuant to 47 U.S.C. §214(e) and 47 C.F.R. § 54.201(c), South Central is entitled to be granted ETC status by the Commission in the GLSGKYXADS0 wire center. "A State commission *shall* upon its own motion or upon request designate a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier for a service area designated by the State commission." 47 U.S.C. § 214(e)(2). Given South Central satisfies the requirements of paragraph (1) of 47 U.S.C. § 214(e) as described above, the Commission should

grant South Central's petition for ETC status in the GLSGKYXADS0 wire center.

**IV. DESIGNATION OF SOUTH CENTRAL AS AN ETC FOR THE DESIGNATED AREA WOULD SERVE THE PUBLIC INTEREST.**

21. The FCC has determined that “[d]esignation of competitive ETCs promotes competition and benefits consumers in rural and high-cost areas by increasing customer choice, innovative services, and new technologies.”<sup>1</sup> Designation of South Central as an ETC would promote competition and facilitate the provision of advanced communications services to residents of Kentucky. Consumers would reap the benefits of local exchange service.

22. Unlike the majority of providers, South Central offers service on a land-line (non-CMRS) basis. Accordingly, it is uniquely qualified to deliver high quality reliable services without the CPE or contract restrictions of other providers. The continued growth of the company in its target market clearly points to a demand from the subscribers of Glasgow for an alternative solution to available providers in the Glasgow area.

23. As an ETC, South Central will continue its effort to provide high quality competitively priced telecommunication services that aides the economic development of the Glasgow area as only a locally owned and run business can provide. In addition, by expanding the company’s ability to provide a true Lifeline service, South Central will bring the benefits of competition to a market segment too frequently overlooked by other providers.

24. When granted ETC status, South Central will provide the Lifeline discount against qualifying residential services selected by the subscriber. Similar discounting will be applied for qualifying installation fees for new service establishment with South Central.

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<sup>1</sup> See Western Wireless Corporation Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming, Memorandum Opinion and Order, CC Docket No. 94-45, 16 FCC Rcd 48, 55 (2000).

25. South Central believes that grant of this request is in the public interest because ETC status will allow South Central to continue to expand the range of competitive choices available to customers in Glasgow, Kentucky.

**V. SOUTH CENTRAL MEETS THE ADDITIONAL REQUIREMENTS ADOPTED BY THE FCC ON FEBRUARY 28, 2005**

26. In its February 28, 2005 press release, the FCC adopted additional requirements for ETC proceedings as summarized below:

(1) **Eligibility Requirements** – In satisfying its burden of proof necessary to obtain ETC designation, an ETC applicant must now: 1) provide a five-year plan demonstrating how high-cost universal service support will be used to improve its coverage, service quality or capacity throughout the service area for which it seeks designation; 2) demonstrate its ability to remain functional in emergency situations; 3) demonstrate that it will satisfy consumer protection and service quality standards; 4) offer local usage plans comparable to those offered by the incumbent local exchange carrier (LEC) in the areas for which it seeks designation; and 5) acknowledge that it may be required to provide equal access if all other ETCs in the designated service area relinquish their designations. In addition, these requirements are made applicable on a prospective basis to all ETCs previously designated by the Commission, and such ETCs are required to submit evidence demonstrating how they comply with this new ETC designation framework by October 1, 2006.

27. South Central has undertaken considerable financial risk to overbuild the exchange in which it now seeks ETC designation. Absent access to funds, it is unlikely that the company will be able to continue its aggressive plan of providing high quality services to the community it serves. Its five-year plan upon receipt of ETC designation is to improve its coverage in the few areas it now lacks facilities; improve redundancy within its network; offer Lifeline services to eligible subscribers; expand local calling options; and upgrade its network to new technologies as such technologies arrive.

28. South Central's network is alternately powered by an emergency generator and battery back up in the event of a power failure. Wherever feasible, the company has diversely

routed facilities between its network and the public switched network. In addition, the company participates in the disaster recovery and operations plan adopted by its parent company, South Central Rural Telephone Cooperative, in the event of a disaster. Included in this plan is a provision that allows for the loan of a switch by the company's switch vendor to provide dial tone functionality as quickly as possible following an extended outage.

29. South Central adheres to the same Kentucky Public Commission guidelines as its parent telephone company, South Central Telephone Cooperative Corporation, Inc. It is fully compliant with provisions of federal truth-in-billing laws. Its services are available to the public on a non-discriminatory basis pursuant to tariff. In its almost four years of operation, the company has no record of a state or federal complaint being leveraged against it regarding the provision of services.

30. South Central provides unlimited flat rate local calling to the same calling scope standard as the incumbent telephone company, AllTel. In addition, subscribers have the option for expanded calling for an additional fee.

31. Applicant acknowledges that it may be required to provide equal access if all other ETCs in the designated service area relinquish their designations.

32. South Central proposes its ETC designation will apply for the entire Glasgow exchange. That exchange is a non-rural designation and the company has already shown a willingness and ability to meet the needs of the exchange. Accordingly, there is no risk of "cream-skimming" and grant of its ETC request is in the public interest.

## **VI. ANNUAL CERTIFICATIONS**

33. South Central is fully capable of meeting additional reporting and certification requirements contained in the FCC's February press release as summarized below.

(3) **Annual Certification and Reporting Requirements** – Each ETC designated by the Commission, including those designated prior to this decision, must submit on an annual basis: 1) progress updates on its five-year service quality improvement plan; 2) detailed information on outages in the ETC's network; 3) how many requests for service from potential customers were unfulfilled for the past year and the number of complaints per 1,000 handsets or lines; and 4) certifications that the ETC is complying with applicable service quality standards and consumer protection rules, is able to function in emergency situations, is offering a local usage plan comparable to that offered by the incumbent LEC in the relevant service areas, and acknowledge that the Commission may require it to provide equal access to long distance carriers.

## **VII. HIGH-COST CERTIFICATION.**

34. Under FCC Rules 54.313 and 54.314, carriers wishing to obtain high-cost support must either be certified by the appropriate state commission or, where the state commission does not exercise jurisdiction, self-certify with the FCC and the Universal Service Administrative Corporation ("USAC") their compliance with Section 254(e) of the Federal Telecommunications Act of 1996. South Central attaches its high-cost certification declaration as Exhibit C hereto. South Central respectfully requests that the Commission issue a finding that South Central has met the high-cost certification requirement and that South Central is, therefore, entitled to begin receiving high-cost support as of the date it receives a grant of ETC status in order that funding will not be delayed.<sup>2</sup>

## **VIII. ANTI-DRUG ABUSE CERTIFICATION.**

35. No party to this Petition is subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.13.

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<sup>2</sup> See, e.g., *Centennial Cellular Tri-State Operating Partnership, Centennial Clairborne Cellular Corp., Petition for Waiver of Section 54.313(d) of the Commission's Rules and Regulations*, 19 FCC Rcd 15587 (2004); *Grande Communications, Inc., Petition for Waiver of Sections 54.307 and 54.314 of the Commission's Rules and Regulations*, 19 FCC Rcd 15580 (2004).

**IX. CONCLUSION.**

36. For the foregoing reasons, and in accordance with the Act and the FCC's regulations, South Central respectfully requests that the Commission promptly grant its petition for designation as an eligible telecommunications carrier.

Respectfully submitted,



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**Counsel to South Central Telcom, LLC**

**CERTIFICATE OF SERVICE**

It is hereby certified that a true and accurate copy of the foregoing was served by first class United States mail this 16<sup>th</sup> day of December, 2005, upon the following:

Kentucky Alltel, Inc.  
130 West New Circle Road  
Suite 170  
Lexington, Kentucky 40505



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Counsel to South Central Telcom, LLC



**BEFORE THE  
KENTUCKY PUBLIC SERVICE COMMISSION**

*In the matter of:*

**SOUTH CENTRAL TELCOM, LLC            )  
PETITION FOR DESIGNATION AS        )  
AN ELIGIBLE TELECOMMUNICATIONS )  
CARRIER IN THE COMMONWEALTH    )  
OF KENTUCKY                                )**

Case No. 2009-00541

**DECLARATION OF FORREST WILSON**

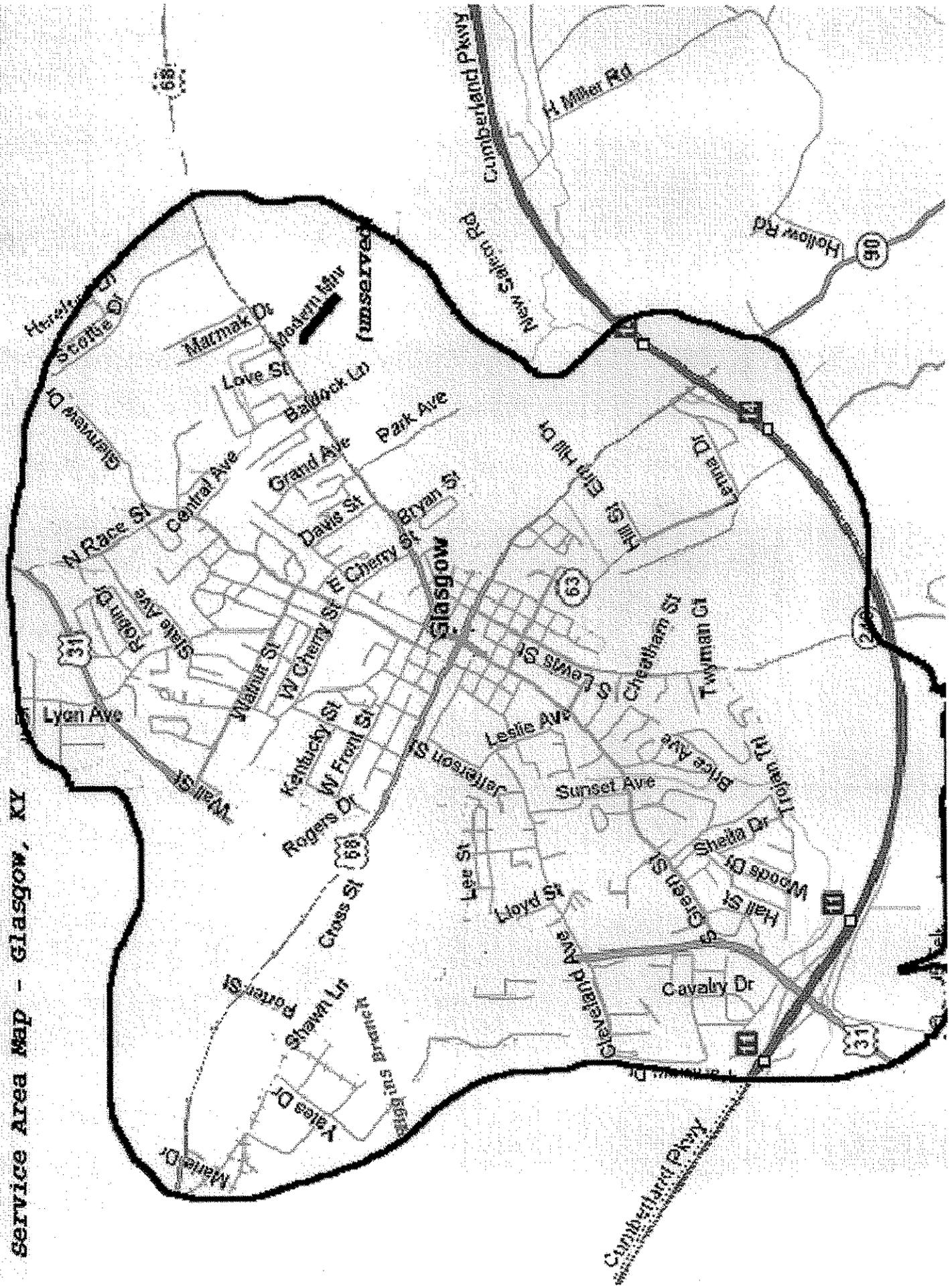
I, the undersigned Forrest Wilson, do hereby declare under penalty of perjury as follows.

1. I am the authorized representative of South Central Telcom, LLC ("South Central").
2. South Central is a facilities-based local exchange carrier providing local exchange services in Glasgow, Kentucky.
3. I declare and certify, as described in South Central's attached petition for eligible telecommunications carrier status, that South Central offers, or will offer, all of the services supported by the Universal Service Fund pursuant to 27 U.S.C. § 254(c)(3); that South Central offers, or will offer, the supported services using a combination of its own facilities and those of other carriers; and that South Central advertises, or will advertise, the availability of supported services, and the charges therefore, using media of general distribution.
4. I further declare that the foregoing, as well as the content of the attached petition for eligible telecommunications carrier status is, to the best of my knowledge and belief, true and correct.
5. I further declare that to the best of my knowledge and belief, South Central, including its officers, directors and shareholders, is not subject to denial of federal benefits





South Central Telcom, LLC  
Service Area Map - Glasgow, KY





**BEFORE THE  
KENTUCKY PUBLIC SERVICE COMMISSION**

*In the matter of:*

**SOUTH CENTRAL TELCOM, LLC'S PETITION )  
FOR DESIGNATION AS AN ELIGIBLE )  
TELECOMMUNICATIONS CARRIER IN THE )  
COMMONWEALTH OF KENTUCKY )**

Case No.

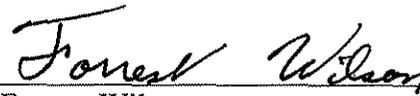
2005-0034)

**HIGH-COST CERTIFICATION**

South Central Telcom, LLC, ("South Central") pursuant to 47 C.F.R. §§54.313 and 54.314, hereby submits the following high-cost certification in support of its Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky (the "Petition"), and in order to begin receiving high-cost support in its designated eligible telecommunications carrier area.

I, the undersigned Forrest Wilson, do hereby declare under penalty of perjury as follows.

1. I am the authorized representative of South Central Telcom, LLC.
2. South Central is attaching this document to its Petition that is being filed with the Public Service Commission of the Commonwealth of Kentucky simultaneously.
3. All high-cost support provided to South Central will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, pursuant to Section 254(e) of the Telecommunications Act of 1996, codified at 47 U.S.C. § 254(e).

  
Forrest Wilson  
Authorized Representative  
South Central Telcom, LLC

COUNTY OF )  
 )  
STATE OF KENTUCKY )

Subscribed and sworn to before me by Forrest Wilson, on this 14th day of December, 2005.

My Commission expires: July 19, 2008.

Bonnie Sherfey  
NOTARY PUBLIC, STATE AT LARGE, KY